

# Ninety-First Regular Session

WEDNESDAY, August 3, 1994

The chief clerk makes the following entries under the above date.

## PETITIONS AND COMMUNICATIONS

State of Wisconsin  
Department of Natural Resources

July 13, 1994

To the Honorable the Legislature:

Pursuant to s. 144.442(4)(c), Stats., attached is the revised Wisconsin Emergency and Remedial Response Program's Hazard Ranking List. This document updates the previous Hazard Ranking List published in March, 1988.

This report and the revised Hazard Ranking List is part of an ongoing process to identify and correct environmental pollution in Wisconsin using the Environmental Fund. The Fund provides the Department of Natural Resources with the means to correct environmental problems which are not eligible for remedial action under Federal Superfund program, but still endanger public health or welfare, or the environment.

For additional copies of the document, contact the Emergency and Remedial Response Section of the Bureau of Solid and Hazardous Waste Management, at 608/264-6009. If you have questions about the document, contact Jonathan Young Eagle at 608/264-6014, or Bob Strous at 608/266-2699.

Sincerely,  
George E. Meyer, Secretary  
Department of Natural Resources

State of Wisconsin  
Department of Administration

June 25, 1994

To the Honorable the Legislature:

This report is transmitted as required by sec. 20.002(11)(f) of the Wisconsin Statutes, (for distribution to the appropriate standing committees under sec. 13.172(3) Stats.), and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative balances during the month of June, 1994.

On June 20, 1994 the **General Fund** balance was negative seventy-eight point four million dollars (-\$78.4 million). On June 21, 1994 the balance reached plus fifty-one point eight million (\$51.8 million). The one-day shortfall was due to the timing of revenues to the fund.

The General Fund shortfall was not in excess of the \$400 million ceiling and did not exceed the balances of the Funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by State Finance will automatically reflect the use of these temporary reallocations of balance authority.

Sincerely,  
James R. Klauser  
Secretary

Referred to the joint committee on Finance.

State of Wisconsin  
Ethics Board

July 26, 1994

To the Honorable the Senate:

At the direction of s. 13.685(7), Wisconsin Statutes, I am notifying you of changes in the Ethics Board's records of licensed lobbyists and their employers.

**Organization's authorization of additional lobbyists:** The following organizations previously registered with the Ethics Board as employers of lobbyists have authorized to act on their behalf these additional licensed lobbyists:

### Milwaukee Metropolitan Sewerage District

Klauser, David

### School District Administrators, Wisconsin Assn of

Lynch, James

**Organization's termination of lobbyists:** Each of the following organizations previously registered with the Ethics Board as the employer of a lobbyist has withdrawn, on the date indicated, its authorization for the lobbyist identified to act on the organization's behalf.

### Counseling & Development, Wisconsin Assn of

Becker, Dismas 7/12/94

### School District Administrators, Wisconsin Assn of

Nispel, David 7/19/94

**Organization's cessation of lobbying activity:** Each of the following organizations previously registered with the Ethics Board as the employer of a lobbyist has indicated a cessation of all lobbying activity effective on the date shown.

### Diet Center, Inc 7/25/94

Swandby, Janet 7/25/94

### Legal Action of Wisconsin, Inc 6/30/94

Andersen, Robert 6/30/94

**Organization's modification or amendment of records:** The registered organizations listed below have indicated the following modifications to their records:

**American Telephone and Telegraph changed its name to AT&T Corp.**

**Chicago and North Western Transportation Company changed its name to Chicago and North Western Railway Co**

Also available from the Wisconsin Ethics Board are reports identifying the amount and value of time state agencies have spent to affect legislative action and reports of expenditures for lobbying activities filed by the organizations that employ lobbyists.

Sincerely,

R. Roth Judd

Executive Director

State of Wisconsin

Office of the Commissioner of Insurance

July 26, 1994

To the Honorable the Legislature:

As required in ss. 227.485(9) and 814.245(10), Wis. Stat., I am submitting the report concerning decisions and resulting payments of attorney fees and related legal costs. Attorney fees and other legal costs are to be paid whenever the opposing party to an agency's ch. 227, Wis. Stats., hearing prevails and it is determined that the agency's position was not substantially justified.

One payment for FY 1994 by the Office of the Commissioner of Insurance (OCI) as a settlement offer is shown on the attached documentation. This payment was made as a result of a claim appeal to the Wisconsin Health Insurance Risk Sharing Plan (HIRSP).

If there are any questions regarding this report, please contact me or Kari Jo Zika, the HIRSP representative in our office.

Sincerely,

Josephine W. Musser

Commissioner of Insurance

State of Wisconsin

Office of the Commissioner of Insurance

July 29, 1994

To the Honorable the Legislature:

In accordance with s. 619.15(2), Wis. Stat., I am pleased to submit to you the Twelfth Annual Report of the Wisconsin Health Insurance Risk-Sharing Plan (HIRSP). The Plan was established in 1981 and now offers insurance to 11,514 Wisconsin residents.

The major issue on the HIRSP agenda continues to be cost containment. In addition, the HIRSP Board of Governors and the Wisconsin Office of the Commissioner of Insurance (OCI) have also taken several steps toward policyholder education. Highlights of the past year include:

#### ENROLLMENT

- \* There are currently 11,514 Wisconsin citizens enrolled in HIRSP, compared to 12,838 at this time last year.
- \* Enrollment has been on the decline due to small group insurance reform, as well as a steady increase in premiums.
- \* 32% of enrollees receive a subsidy to lower their premiums and deductibles, compared to 29% in 1992.
- \* 70% of HIRSP policyholders are age 45 and older. 30% of all policyholders are between ages 60-64.

#### INCOME

- \* Assessments on insurers totaled \$18,000,000 in calendar year 1993.

\$25,606,533 in premiums were collected for calendar year 1993.

#### CLAIMS

- \* \$46,257,835 was paid in claims for 1993 versus \$32,259,153 in 1992. Of this amount, \$23,648,594 was for inpatient claims, \$14,033,009 was for professional services, and \$5,046,754 was for outpatient claims.
- \* Psychosis, diagnostic related group (DRG) number 430, ranked first by total inpatient payments, but accounted for less than 10% of the total admissions for HIRSP policyholders.
- \* The average per member per month cost of the Plan in 1993 was \$315.00. Twenty-five percent of all outpatient services were Drugs/Supplies, which averaged \$36.94 per member per month.
- \* The most expensive hospitalization was for a primary diagnosis of cardiac valve surgery for which a total payment of \$124,280 was made.
- \* The most utilized hospital in the state was St. Joseph's Hospital in Marshfield, while St. Lukes Medical Center in Milwaukee received the highest total payments for inpatient care.

#### COST CONTAINMENT

- \* In 1991, the Wisconsin Legislature mandated in s. 619.15(e), Wis. Stats., that HIRSP reduce reimbursements for all health services rendered to HIRSP enrollees by 10%. This reduction resulted in a savings of more than \$4,000,000 for the plan in 1993.
- \* The HIRSP Board of Governors voted to accept proposals for a hospital bill audit program for

HIRSP. This program is expected to save the plan \$200,000 - \$300,000 in claim costs a year.

**POLICYHOLDER EDUCATION**

- \* A Consumer Affairs committee was created by the Board of Governors (Board) to assure policyholders that the Board receives input from policyholders. The plan also began publishing a quarterly newsletter to inform policyholders about changes in the plan, health care reform, etc.
- \* Policy language has been updated to clarify the definitions of experimental treatment and medical necessity. Other changes have been made in the policy to make it clearer and more readable to the policyholder.
- \* In April, 1993, the OCI conducted a survey of all HIRSP enrollees, and received a response rate of 37.5%. Highlights of the results are as follows:
  - The most common medical reason for a denial of health insurance was disorders of the circulatory system, with 36% of respondents listing it as the reason for their denial of health insurance coverage.
  - When asked about employment status, the majority (41.3%) of HIRSP enrollees are unemployed. Self-employed persons made up 22.3% of enrollees.
  - The most common write-in comment referred to the premium increases HIRSP has seen over the past three to four years, with persons citing that HIRSP is getting too expensive to carry.

I am confident that the HIRSP Board of Governors will continue to explore additional cost-containment options for the plan, which will prove to be beneficial to both HIRSP enrollees and the state of Wisconsin.

The data continues to show that HIRSP remains as a viable alternative for health insurance for Wisconsin citizens.

Sincerely,  
Josephine W. Musser  
Commissioner

**EXECUTIVE COMMUNICATIONS**

State of Wisconsin  
Office of the Governor

July 14, 1994

To the Honorable, the Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint LINDA S. ADRIAN of Platteville, as a member of the Rural Health

Development Council, pursuant to the statute governing, to serve for the term ending July 1, 1999.

Respectfully,  
Tommy Thompson  
Governor

Read and referred to committee on Health, Human Services and Aging.

State of Wisconsin  
Office of the Governor

July 14, 1994

To the Honorable, the Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint SCOT WALL of Cashton, as a member of the Rural Health Development Council, pursuant to the statute governing, to serve an interim term ending July 1, 1995.

Respectfully,  
Tommy Thompson  
Governor

Read and referred to committee on Health, Human Services and Aging.

State of Wisconsin  
Office of the Governor

July 14, 1994

To the Honorable, the Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint E. RAY WILLOUGHBY of Eau Claire, as a member of the Rural Health Development Council, pursuant to the statute governing, to serve for the term ending July 1, 1999.

Respectfully,  
Tommy Thompson  
Governor

Read and referred to committee on Health, Human Services and Aging.

**SENATE CLEARINGHOUSE ORDERS**

State of Wisconsin  
Revisor of Statutes Bureau

August 1, 1994

To the Honorable the Legislature:

The following rules have been published and are effective:

- Clearinghouse Rule 93-196 effective August 1, 1994.
- Clearinghouse Rule 93-202 effective August 1, 1994.
- Clearinghouse Rule 93-206 effective August 1, 1994.
- Clearinghouse Rule 93-207 effective August 1, 1994.
- Clearinghouse Rule 93-215 effective August 1, 1994.
- Clearinghouse Rule 93-224 effective August 1, 1994.
- Clearinghouse Rule 93-225 effective August 1, 1994.
- Clearinghouse Rule 93-238 effective August 1, 1994.
- Clearinghouse Rule 94- 4 effective August 1, 1994.
- Clearinghouse Rule 94- 16 effective August 1, 1994.
- Clearinghouse Rule 94- 27 effective August 1, 1994.
- Clearinghouse Rule 94- 28 effective August 1, 1994.

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Clearinghouse Rule 94- 34 effective August 1, 1994.

Clearinghouse Rule 94- 53 effective August 1, 1994.

Clearinghouse Rule 94- 60 effective August 1, 1994.

Sincerely,

Gary L. Poulson

Deputy Revisor

Report received from agency, July 29, 1994.

Referred to committee on Education, August 3, 1994.

**Senate Clearinghouse Rule 94-109**

Relating to construction site erosion control and storm water management procedures.

Submitted by Department of Transportation.

Report received from agency, August 2, 1994.

Referred to committee on Transportation, Agriculture, Local and Rural Affairs, August 3, 1994.

**Senate Clearinghouse Rule 94-57**

Relating to programs for children at risk.

Submitted by Department of Public Instruction.